

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 2251 – HB 2105**

February 23, 2014

**SUMMARY OF ORIGINAL BILL:** Requires any leased operator or leased owner/operator, of a motor vehicle under contract to a common carrier, that elects to be covered under any policy of workers' compensation insurance that insures the common carrier upon written agreement, to establish the validity of and satisfy the terms and conditions of all contractual agreements between the parties prior to the processing of any claim for workers' compensation. Requires any dispute arising out of the validity of the contractual relationship or the terms of the written agreement to be held in the chancery court of the county where the contract was entered, or the county of the principal place of business of the common carrier.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**IMPACT TO COMMERCE OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (012443):** Requires any leased operator or leased owner/operator, of a motor vehicle under contract to a common carrier, who elects to be covered under any policy of workers' compensation insurance that insures the common carrier upon written agreement, to establish the validity of and satisfy the terms and conditions of all contractual agreements between the parties prior to the payment of, rather than the processing of, any claim for workers' compensation.

Adds additional language declaring that whenever the leased operator, the leased owner/operator or the carrier files a suit to resolve a contract dispute, the statute of limitations for filing a petition for benefit determination with the Division of Workers' Compensation (DWC) shall be tolled for 90 days after final judgment has been entered in the suit including all appeals; and further declares that in cases where a leased operator or leased owner/operator or the carrier has filed suit to resolve a contract dispute, the petition for benefit determination shall be held in abeyance by DWC until final judgment, including all appeals, has been entered in the suit filed.

Makes a change to the effective date provision such that it clarifies the act applies to all injuries occurring on or after the July 1, 2014.

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## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Based on information provided by the Division of Workers' Compensation (DWC), this bill as amended will not require the division to add any additional employees, purchase equipment, or significantly alter division practices; therefore, any fiscal impact is considered not significant.
- DWC indicates that any change in the number of workers' compensation claims as a result of this bill as amended is expected to be minimal.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Given no significant impact to the number of workers' compensation claims, any impact to commerce or the number of Tennessee jobs is expected to be not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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